Date

Tuesday 14th July 2009

Title of session

Plenary:

Sustainability in Royal Mail Group

Name of presenter/chair

Dr Martin Blake, Head of Sustainability, Royal Mail Group

Name of rapporteurs

Gillian Horner & Jevon Snell

Dr Martin Blake, Head of the award winning Sustainability Department at Royal Mail explained their approach to carbon management. With 33,000 vehicles travelling the equivalent of Jupiter and back each year Royal Mail have a challenge on their hands. They plan to meet this challenge through a combination of factors including low carbon buildings, hydrogen powered vehicles and fuel cell technology.

Their approach to carbon management involves carefully measuring their current carbon footprint (including the percentage contributed by employees travelling to work). They can then reduce and replace carbon fuels, using carbon offsetting only once other options have been exhausted.

Royal Mail's carbon reduction targets exceed those set by government. This follows Aubrey Meyer's principle of Convergence and Contraction which advises developed countries to reduce carbon emissions more quickly to counteract the increasing emissions from developing countries. Marginal Abatement Curves (MAC) are used to show where the greatest savings can be made and decisions are overseen by the Carbon Management Board which includes senior Royal Mail executives.

A key success of the transport strategy was the introduction of 350 Double Decked Trailers. This has removed the need for the equivalent of 75 return trips from Lands End to John o' Groats each night.

By 2019 all new non-domestic buildings will need to be zero carbon. Royal Mail is looking to introduce low carbon buildings ahead of this target to reduce depreciation of their building stock.

Each depot has been challenged to reduce their carbon emissions. A pilot in Edinburgh achieved 20% savings; 80% of these savings were returned to the business and 20% were used to support the charity Mencap in training 24 people with learning difficulties to work for Royal Mail.

Royal Mail has put together a future energy plan; each step of the plan is technically possible, but no one has yet put all these ideas together. They are currently trialling two types of hydrogen vehicles in London before sending them to Stornaway.

Questions/Comments	Answers
John Ludden - British Geographical Survey The UK Energy Policy suggests nuclear or carbon capture scenarios, why isn't Royal Mail following this strategy?	The technologies are not mutually exclusive. There are also significant renewable energy targets which it makes sense to exploit in terms of grid balancing, particularly for stranded assets with no grid connectivity. Wind power is intermittent and in times of reduced demand can be used to run Electrolysers to produce hydrogen.
Professor Fraser Taylor - Geomatics & Cartographic Research Centre, Canada What are the short/long term costs of fuel cell technology?	The costs are not fully known as it has not yet been implemented. Fuel cells are not new technology, they were used to put man on the moon and have been well proven. It is difficult to persuade big motor manufacturers to introduce the new technology as it is more profitable for them to stay as they are. There is a reluctance to move into this area as there is not yet an infrastructure for the vehicles, but without the vehicles there is a reluctance to create the infrastructure. China may take the lead as it has the technology without the historical reliance on manufacture of carbon fuelled vehicles. Unit costs are currently high because vehicles are not being mass produced. Royal Mail hopes to stimulate production as we are a large buyer of vehicles (around £300 million p.a.). Hydrogen produced through electrolysers run by wind power should be cheaper than fossil fuels. It should also be more efficient (around 300

	mpg). Royal Mail is currently seeking partners to develop this technology and have visited India and China. They are currently trying to influence motor manufacturers to bring their plans for fuel cell technology forward from 2015.